

STATE OF WASHINGTON PUBLIC DISCLOSURE COMMISSION

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BEFORE THE PUBLIC DISCLOSURE COMMISSION OF THE STATE OF WASHINGTON

IN THE MATTER OF ENFORCEMENT)	PDC CASE NO: 06-251
ACTION AGAINST)	
)	Notice of Administrative
Citizens for a Healthy Economy)	Charges
)	-
Respondent.)	
)	

IT IS ALLEGED as follows:

I. <u>JURISDICTION</u>

1. The Commission has jurisdiction over this proceeding pursuant to Chapter 42.17 RCW, the Public Disclosure Act; Chapter 34.05 RCW, the Administrative Procedure Act; and Title 390 WAC. These charges incorporate the Report of Investigation and all of its exhibits by reference.

II. <u>ALLEGATIONS</u>

- 2. Respondent Citizens for a Healthy Economy is a political committee supporting candidates for Commissioner, Port of Seattle, in the November 8, 2005 general election.

 Citizens for a Healthy Economy violated RCW 42.17.080 and .090 as follows:
 - a. By failing to timely file its 21-day pre-primary C-4 report. The report was filed seven days late and included \$10,123 in expenditures.
 - b. By failing to timely file contribution information on its 7-day pre-primary C-4 report that was due September 13, 2005. The report was filed 17 days late and included receipt of a \$500 contribution.
 - c. By failing to timely file one C-3 report for contributions totaling \$10,000. The report was filed 31 days late.
- 3. Citizens for a Healthy Economy violated RCW 42.17.3691 by failing to timely file its 2005 reports of contributions and expenditures by the electronic filing alternative provided



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by the Commission. As of October 20, 2005, the Respondent had electronically filed campaign finance reports totaling \$96,500 in contributions and \$12,060 in expenditures between 17 and 174 days late.

III. RELEVANT LAW

- 4. RCW 42.17.080 and .090 require candidates to file timely, accurate reports of contributions and expenditures. Reports of contributions and expenditures are required monthly except for special reports due 21 and 7 days before the primary and general elections. In addition, detailed reports of contributions received must be filed for each bank deposit. These reports must be filed monthly until the fourth month before the election when detailed contribution reports are required weekly.
- 5. RCW 42.17.3691 requires each political committee that expended \$10,000 or more in the preceding year or expects to expend \$10,000 or more in the current year to file all contribution and expenditure reports by the electronic alternative provided by the commission under RCW 42.17.369.

IV. FACTS SUPPORTING ALLEGATIONS

- 6. Respondent Citizens for a Healthy Economy is a political committee supporting candidates for Commissioner, Port of Seattle, in the November 8, 2005 general election. The committee selected the "full reporting option" requiring frequent and detailed reports of contribution and expenditure activities.
- 7. Citizens for a Healthy Economy failed to timely file expenditure information on its 21-day pre-primary C-4 report that was due August 30, 2005. The late reported information included \$10,123 in expenditures, and was reported seven days late on September 6, 2005. The expenditures included a \$10,000 contribution to Seattle Port Commissioner candidate Patricia Davis.
- 8. Citizens for a Healthy Economy failed to timely file contribution information on its 7-day pre-primary C-4 report that was due September 13, 2005. The

late reported information included receipt of a \$500 contribution that had been timely reported on a C-3 report. By failing to timely file the 7-day pre-primary C-4 report, the Respondent failed to timely inform the public as to whether it had received additional contributions or incurred additional expenditures. The C-4 report was filed 17 days late on September 30, 2005, which was ten days after the September 20, 2005 primary election.

- 9. Citizens for a Healthy Economy filed a C-4 report on July 11, 2005, covering June 2005 activity. The report failed to include \$30,000 in contributions received. The C-4 report was amended on August 11, 2005, and the \$30,000 was reported 31 days late. However, \$20,000 of this amount was timely reported on C-3 reports, and \$10,000 was reported 31 days late on a C-3 report filed August 11, 2005.
- 10. Citizens for a Healthy Economy failed to timely file its 2005 reports of contributions and expenditures by the electronic filing alternative provided by the Commission under RCW 42.17.369. The Respondent raised \$20,000 and registered as a political committee on April 29, 2005 with the stated purpose of supporting Port of Seattle Commissioner candidates in the 2005 election. On April 29, 2005, the committee had the expectation of incurring over \$10,000 in expenditures, and thus had the requirement to file its reports by the electronic alternative. As of October 20, 2005, late filed electronic reports totaled \$96,500 in contributions received and \$12,060 in expenditures incurred. These reports were filed between 17 and 174 days late.
- 11. On September 30, 3005, the committee filed its 7-day pre-primary C-4 electronically. The report was required to be filed electronically on September 13, 2005, and was filed 17 days late.
- 12. On October 4, 2005, the committee filed its 21-day pre-primary C-4 by the electronic alternative. This C-4 report was required to be reported electronically by August 30, 2005, and was filed 35 days late.
- 13. On October 4, 2005, C-4 reports for April, May and June 2005 were filed by the electronic alternative. These C-4 reports were required to be filed electronically on

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April 29, June 10 and July 11, 2005, respectively, and were filed 158, 116 and 85 days late, respectively.

14. On October 20, 2005, the committee electronically filed two C-3 reports for contributions previously filed manually on April 29, 2005. The electronically filed C-3 reports were filed 174 days late.

RESPECTFULLY SUBMITTED this 20th day of October, 2005.

Philip E. Stutzman

Director of Compliance